

Chapter 1 Background

Comprehensive planning provides a process and a framework for anticipating change and its implications. This work builds on a foundation constructed of the demographic, economic, social and natural resource factors driving change along with extensive citizen input. This assessment coupled with a thoughtful review of public policy permits a clear-eyed review of Talbot County's progress and its areas in need of more work.

To accomplish this, Chapter 1 provides a variety of information, which when linked with the plan's associated citizen input yields an effective basis for the plans recommendations. Specifically this chapter reviews important trends, projections, and planning assumptions to achieve this purpose.

It is important to consult reliable baseline data in order to set goals and monitor progress. Trend data provide a numerical benchmark to help determine if a plan is realistic and reasonable. Unless otherwise noted, the U. S. Census Bureau and Maryland Department of Planning are the sources for this chapter's information. Maryland State Data Center (SDC) provides Census 2010 and other data cited in the *Maryland Statistical Handbook*, which can be found at www.mdp.state.md.us/.

The chapter begins with a look a population changes and then addresses housing, income, employment and land use trends.

Demographics

Population

Population change affects the demand for public and private goods and services. The location and age distribution have implications for the school system and other public infrastructure and services. The age

and sex composition also affects government services and the economy.

Talbot County's population is estimated to be among the lowest in the state, at 37,931 persons (July 1, 2013). Relatively modest in size, between 1900 and 1950 Talbot County's population remained almost unchanged at under 20,000. The 1950's brought the opening of the first Chesapeake Bay Bridge marking the beginning of increased county and regional growth.

Population Change 1950–2010			
Census Year	Population	Increase	Percent Change
1950	19,428		
1960	21,578	2,150	11.1
1970	23,682	2,104	9.7
1980	25,605	1,923	8.12
1990	30,541	4,936	19.27
2000	33,812	3,271	10.7
2010	37,782	3,970	11.7

Between 1950 and 2000, the population increased by 74%, from 19,428 in 1950 to 33,812 in 2000. The 2010 Census reported a population of 37,782, a ten year increase of 11.7%, translating to an annual growth rate of 308 persons or 1.6 percent per year.

In greater detail, the first half of the last decade saw a 5% rise, followed by a less dramatic increase of just a 3.1% from 2005 to 2010. This slower trend reflected changes in the housing market, availability of credit and other consequences of the financially driven recession that began in 2008, which has ended but slow growth remains.

Population, Geographic and Age Distribution

2010 County and Municipal Population Distribution	
Talbot County Population	37,782
Total Municipal Population	18,796
Percent of County	49.7%
Easton	15,945
Oxford	651
Queen Anne (pt.)	94
St. Michaels	1,029
Trappe	1,077
Balance of County	18,986
Percent of County	50.3%

Like most rural areas, population growth in Talbot County is not evenly distributed. The Town of Easton has traditionally been and continues to be the County's population center. The population of Easton was 15,945 persons, or 43 percent of the County's population, in the 2010 Census.

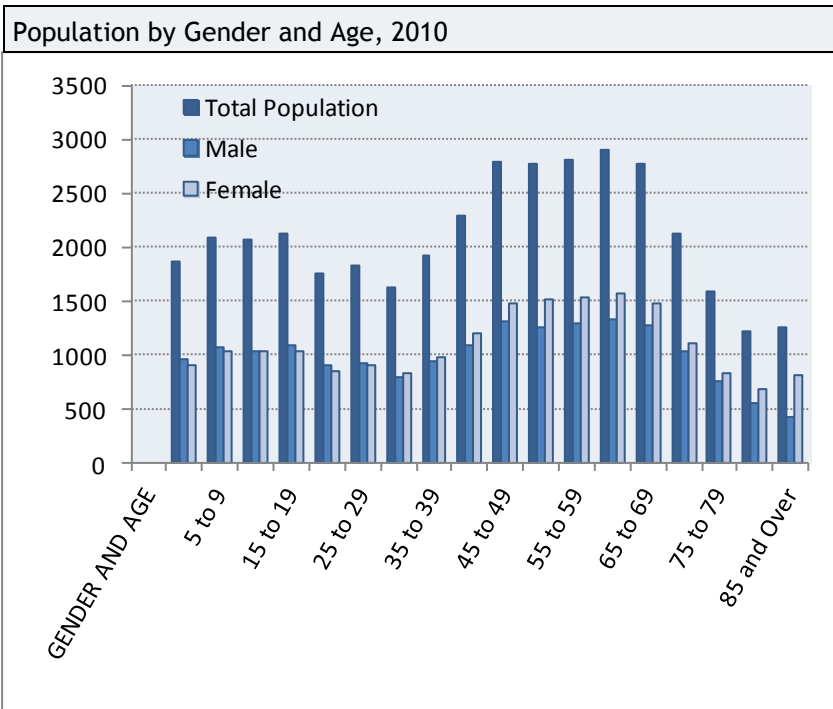
However, the other municipalities, with the exception of Queen Anne, lost population. This is most likely a result of the increased portion of County housing serving as second homes.

Easton is not only the commercial and business center of Talbot County, but also has the most suitable land for development, supported by a robust urban infrastructure and services. The County's other towns are either land locked, limited in

sewer, road or other infrastructure capacity, or host limited employment generators. County and Town growth plans are discussed in the Land Use chapter.

The 2010 median age in Talbot County rose to 47.4 years, up from 43.4 in the 2000 Census. The Statewide 2010 median age was 38 years, with just 12.3% of the population age 65 or over. Locally, some 8,958 persons, or about 23% of the total county population, were reported to be age 65 or over. Talbot County's relatively high median age is a function of a population that is aging in place, in-migration of retirees and outmigration of younger people.

The American Community Survey reports that about one fifth of the County's population is less than 18 years of age. The total population is somewhat evenly distributed through all age groups up to the age of 45, where women become a larger proportion of each age group, as illustrated in chart below.



Historic and Projected Talbot County Population and Households, 1970 - 2040								
	1970	1980	1990	2000	2010	2020	2030	2040
Population	23,682	25,604	30,549	33,812	37,780	38,973	40,834	41,743
Households	7,914	9,934	12,677	14,307	16,150	17,875	19,050	19,625
Average Household Size	2.94	2.55	2.39	2.32	2.31	2.26	2.22	2.21
Source: U. S. Bureau of Census and Maryland Department of Planning								

Population Projections

Despite the present downturn in home sales and new home construction, the Maryland Department of Planning has predicted modest but steady growth for Talbot County. The greatest component of growth over the past few decades and through the next several is domestic in-migration. In recent periods deaths have outnumbered births in the county (530 to 449 in the 2011 estimate), contrary to the statewide trend.

The County is expected to see a decline in the school age population over the next 10-year period, following the trend from the past 10 years (see Public School Enrollment in the *Selected Talbot County Statistics* table at the end of this chapter).

In the 2005 Comprehensive Plan, it was estimated that by 2030 the County's population would grow to 38,950, reflecting a growth rate of about .5% per year. Recent MDP Planning Data Services projections forecast the 2030 population rising to 40,834 and the 2040 population reaching 41,743; continuing the predicted .5% annual growth rate over the next 30 year period.

Current and Projected Households

The number of households in Talbot County has steadily increased as well, while average household size continues to decline. Between 1970 and 2000, the household rate of increase was 80.8%, nearly twice the rate of population growth (42.8%) over the same period.

Nonfamily Households by Sex of Householder by Living alone by Age of Householder Universe: Nonfamily Households		
	Estimate	Percent
Total:	5,080	
Male householder:	1,992	39.2%
Living alone:	1,605	31.6%
Householder 15 to 64 years	1,235	24.3%
Householder 65 years and over	370	7.3%
Not living alone:	387	7.6%
Householder 15 to 64 years	302	5.9%
Householder 65 years and over	85	1.7%
Female householder:	3,088	60.8%
Living alone:	2,827	55.6%
Householder 15 to 64 years	1,237	24.4%
Householder 65 years and over	1,590	31.3%
Not living alone:	261	5.1%
Householder 15 to 64 years	226	4.4%
Householder 65 years and over	35	0.7%
Source: U.S. Census Bureau, 2005-2009 American Community Survey		

New Residential (Single Family) Parcels Created by Decade 1940 –2009							
YEARS	Total	Inside PFA	Percent	Comment Area	Percent	Outside PFA	Percent
1940-49	585	421	71.97%	20	3.42%	144	24.62%
1950-59	1,102	777	70.51%	44	3.99%	281	25.50%
1960-69	1,025	457	44.59%	124	12.10%	444	43.32%
1970-79	1,796	782	43.54%	169	9.41%	845	47.05%
1980-89	2,307	1,085	47.03%	122	5.29%	1,100	47.68%
1990-99	2,465	1,426	57.85%	97	3.94%	942	38.22%
2000-09	2,953	2,118	71.72%	49	1.66%	786	26.62%
1940-2009	12,233	7,066	57.76%	625	5.11%	4,542	37.13%
Source: Maryland Department of Planning							

The 2010 Census reports that 40% of all households consist of two persons and 28.3% are single person households. In addition to small household size, there is a growing number of nonfamily households — over 30 percent of all households in the County are nonfamily and almost one fourth are single person households. Ten percent of householders living alone are women aged 65 and over.

In summary, the demographic outlook is for the population of Talbot County to be increasingly older, more likely retired and living in smaller households. The school-aged and prime working age populations will remain relatively unchanged and the workforce is not expected to appreciably grow.

The implications for the economy, prosperity and livability of the county will be considered in subsequent chapters of the plan. The relationship between population, growth and housing is outlined in the next section.

Housing

The 2010 Census reports 19,577 housing units existed in the County, including the

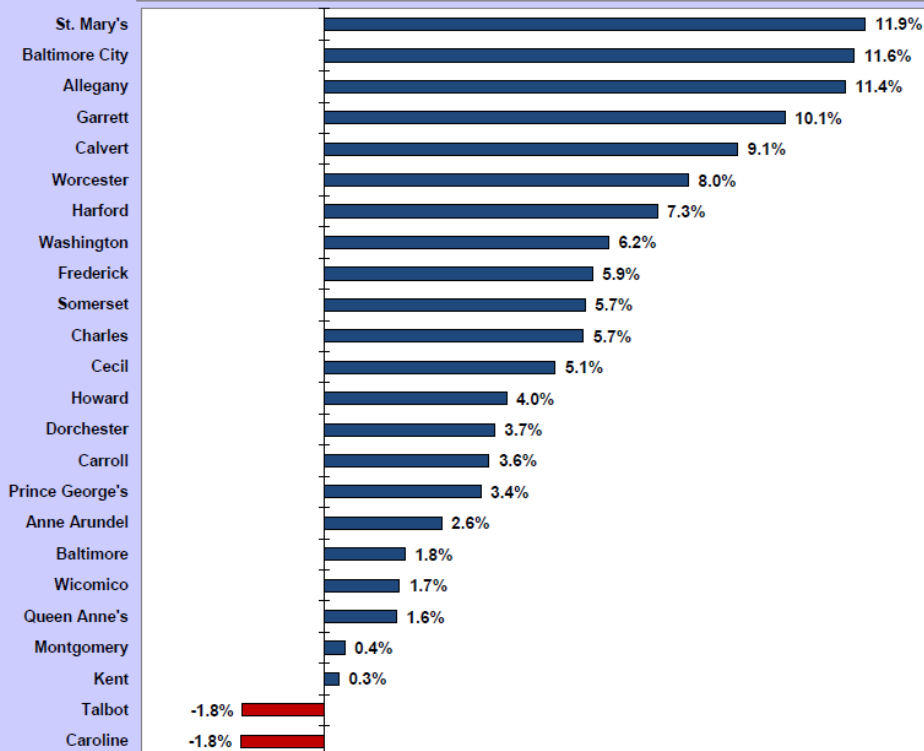
incorporated towns. This figure is up 3,077 units from the Census 2000 total of 16,500 units. Census and tax data indicate that over 80% of the County's residential development is single-family detached homes. The remaining 20% is multi-family housing, almost exclusively located in the municipalities.

Of all housing units, 82.5% were occupied. The percentage of vacant units rose to 17.5% in 2010 from 13.3% in 2000. The majority of vacant units were in the category of seasonal or occasional use, which includes guest homes and 'second' homes.

The Maryland Department of Planning reports that 2,953 new single family parcels were created between 2000 and 2009. The number of new parcels created has increased every decade since the 1960s (see Table above).

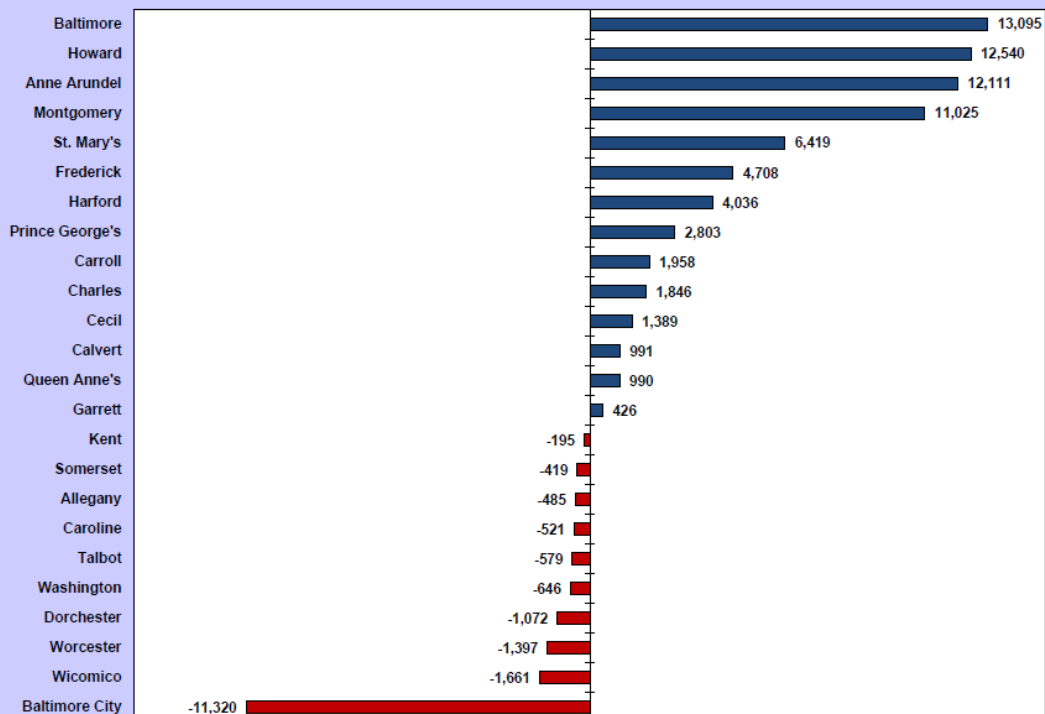
Also, MDP data reveal an ebb and flow to residential development in the County over the past seventy years. Using the Priority Funding Areas (PFAs) established in 1992 as a basis, new construction has gravitated from the existing towns to suburban and rural development, and gradually back to the

**Chart J. Percent Change in Per Capita Personal Income, 2005 - 2010
(Constant 2005 Dollars)**



Source: U.S. Bureau of Economic Analysis. Prepared by the Maryland Department of Planning, May 2012

**Chart L. Change in Full Time and Part-Time Jobs
by Place of Work, 2005 - 2010**



Source: U.S. Bureau of Economic Analysis. Prepared by the Maryland Department of Planning, May 2012.

towns. The percentage of new subdivision in urbanized areas in the 1940s was not achieved again until the last decade, with nearly four times as many new lots created within PFAs. Over the past few decades the proportion of subdivision in towns steadily increased from 37% in the 1980s, to 53% in the 1990s up to over 80% in the 2000s.

Data from the Maryland Association of Realtors' Metropolitan Regional Information System reveal the demand for and economic contributions of single family housing in Talbot County.

Since the last planning period, both the number of sales and the median price for single family homes declined in the recent recession (see chart). The number of sales fell by almost half and has yet to recover in

volume. Median sale prices made a corresponding though less severe decline and remain below historic highs.

These trends not only slow new development in the County but impact revenues as well. Transfer taxes and real estate taxes are significant elements of the County budget and the combination of fewer real estate transfers and lower sales values will continue to impact the provision of community services.

Future subdivision and development is likely to be centered in the towns for the foreseeable future, due to a combination of State, County and municipal policies and growth management strategies. Public utilities and infrastructure, zoning regulations and land preservation strategies

are directed towards a manageable pattern of growth across the County, with the majority occurring in the towns.

Income

Income is composed of salary or wages, self-employment income, and dividends or interest income. Traditionally, Talbot ranked among the highest median income counties in the state and above the national average of \$49,445 for counties.

The most recent *American Community Survey* estimated median income for the

County was \$63,399. The *Maryland Statistical Handbook* (2012) lists the County's 2010 per capita income at \$49,231, the third highest among Maryland counties (see the *Selected Talbot County Statistics*

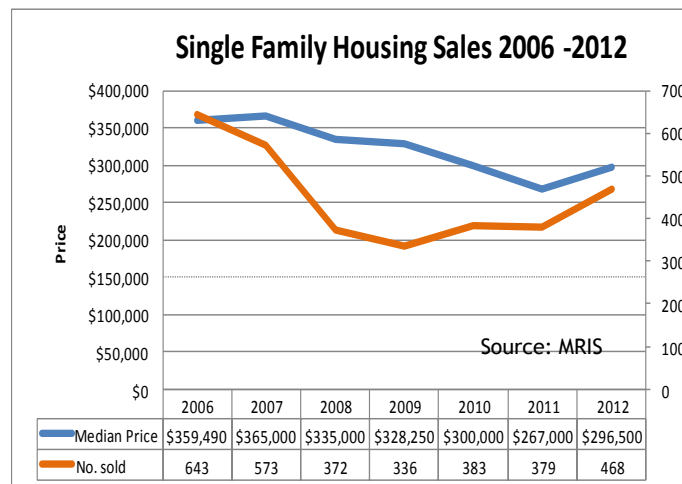


table at the end of this chapter).

However, recent reports on per capita income tell another story, showing Talbot County with one of the largest declines in a statewide comparison. Talbot County's per capita income fell by 1.8% from 2000 to 2010, ranking 23 among the state's 24 jurisdictions for loss of income. Talbot was one of just two counties to experience a decline in per capita personal income (see Chart J on previous page). Though per capita income grew by \$4,572 between 2005 and 2010, the 9.1% increase was the lowest in the state.

The *American Community Survey* reveals the distribution of income among residents: Over 45% of all households in the County had incomes between \$50,000 and \$125,000,

STATE OF MARYLAND

DLR

DEPARTMENT OF LABOR, LICENSING AND REGULATION

TALBOT COUNTY FACT SHEET

DEMOGRAPHICS

2010

2010

Population37,782

Median Age47.4 Yrs.

Prime Working Age 25-5435.0%

% of Total Pop

Civilian Labor Force18,630

Employment17,176

Unemployment1,454

Unemployment Rate7.8%

2007-2009 3 yr. estimate

% of workers 16 & over working outside county of residence27.8%

(2007-9 3 yr. est.)

INDUSTRY SHARES OF UI CONTINUED CLAIMS FILINGS 2010 ANNUAL AVERAGES

20.2%

12.8%

11.0%

9.7%

6.8%

6.8%

Construction

Admin./Food Svcs.

Retail Trade

Health/Soc. Svcs.

JOB BY INDUSTRY DIVISION 2010 ANNUAL AVERAGES

IndustryEmployment

Total Employment17,761

Government Total1,914

Federal300

State201

Local1,413

Private Sector Total15,847

Natural Resources & Mining76

Construction904

Manufacturing893

Trade, Transportation, & Utilities3,280

Information281

Financial Activities778

Professional & Business Services2,508

Education & Health Services3,625

Leisure & Hospitality2,498

Other Services/Unclassified1,004

PRIVATE SECTOR EMPLOYMENT CONCENTRATIONS 2010 ANNUAL AVGS.

Traveler accomm.3.0%

Grocery stores3.2%

Offices of phys.3.5%

Limited-svc. eatng pl.4.6%

Full-svc. rest.5.9%

Traveler accomm.3.0%

LARGEST EMPLOYERS - 4TH QUARTER 2010 (LISTED ALPHABETICALLY)

EmployerSize class

ACM Chesapeake Publishing100-249

Deco Recovery Management100-249

Lowe's100-249

M I Acquisition Corp.100-249

SFA Inc.100-249

Shore Health System1000+

Target100-249

UPS100-249

Wal-Mart/Sam's Club100-249

William Hill Manor250-499

YMCA of Talbot County100-249

PROJECTED DEMAND IN THE UPPER SHORE BY SKILL LEVEL -- 2008-2018

Skill LevelOcc. GroupTot Openings 2008 - 2018

HighManagement1,030

Bus. & financial705

Prof. & related4,770

MiddleSales & related3,275

Office & admin.3,290

Construction980

Install. & repair970

Production1,275

Transp. & mat mvg.1,360

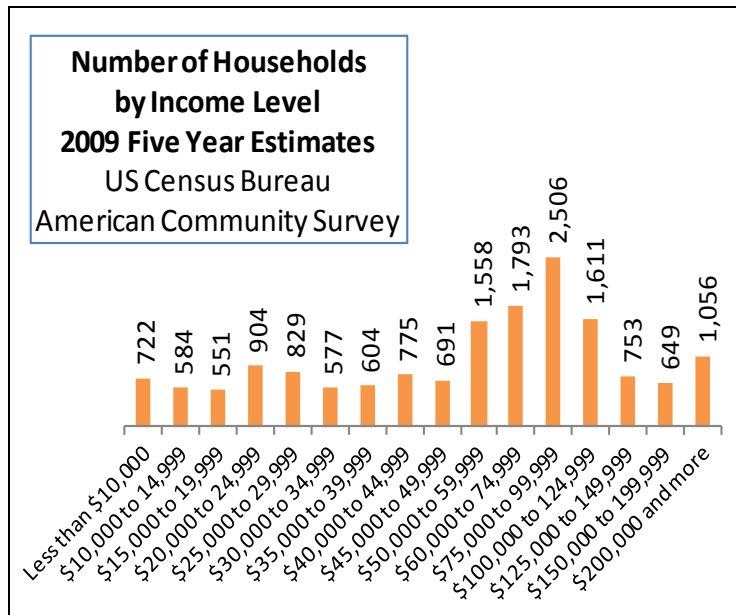
LowService occ.6,285

Farm/fish/forestry occ.290

Martin O'Malley, Governor

Anthony G. Brown, Lt. Governor

Alexander M. Sanchez, Secretary



while 8.4% of households in the survey data set reported incomes of less than \$15,000.

Other statistics report that the largest householder group (6,359 households) is aged 45 to 64. Within that group, 18.5% fall in the \$50,000 to \$125,000 income bracket. The next largest group consists of householders aged 65 years and over. Of those 5,108 households (12.3%) have incomes in the same middle bracket. Though the County may have a reputation as a haven for the well off, statistics depict a solidly middle class, middle aged resident community.

The demographic and income data above, combined with the employment and land use data below can assist the County as it manages community services and programs. Income can predict revenues and population trends help anticipate local needs. While short-term disruptions can be managed, long-term plans may require adjustments in anticipation of lasting changes in future conditions.

Employment

State agencies including the Maryland Department of Labor, Licensing, and Regulation (DLLR) track business and

employment data and provide annual updates and long-range projections. Their *Talbot County Fact Sheet* (see graphic on preceding page) reports the following data for 2010:

- The County had a civilian labor force of 18,630 persons,
- 1,454 of persons were unemployed for an unemployment rate of 7.8% — about one point higher than the Maryland rate,
- Education and Health Services employ the greatest number of people in 15,847 non-governmental jobs,

- The largest single employers in the County are Shore Health Systems (1,000 employees) and William Hill Manor (250 to 499 employees),

- Twenty five percent of the workforce are employed outside the County.

MDP reports (Chart L, page 1-5) that Talbot County lost 579 full or part time jobs (approximately 2%) between 2005 and 2010, when all Eastern Shore counties except Queen Anne's and Cecil saw job losses. The report counted 27,274 full and part time jobs in the County.

The Department of Labor, Licensing, and Regulation report anticipates the demand for workers through the coming decade will be evenly divided between high, medium and low skilled workers, similar to current opportunities. Service, office and sales jobs are expected to be available, along with a substantial portion of professional opportunities.

Employment and unemployment add to an already complex calculation of future demands for County services. While job opportunities remain tight, younger workers

will likely continue to relocate outside the area. New residents replacing them will invariably be older, perhaps more prosperous and most likely retired persons attracted by Talbot's combination of rural character and urbane attractions. They will be consumers of the retail, food and medical services that are already a large portion of the local economy. See Chapter 7, Economic Development and Tourism, for further discussion.

Existing Land Use

The map on the page 1-10 depicts the geographic distribution of land use/land cover in Talbot County from 2010 data.

As the map illustrates, medium and high density residential development in the County is concentrated in the incorporated towns, while lower density residential development comprises the majority of the residential use throughout the unincorporated areas. As historical centers predating the wide spread use of the automobile, the County's rural villages formed small concentrations of higher density development, along with the

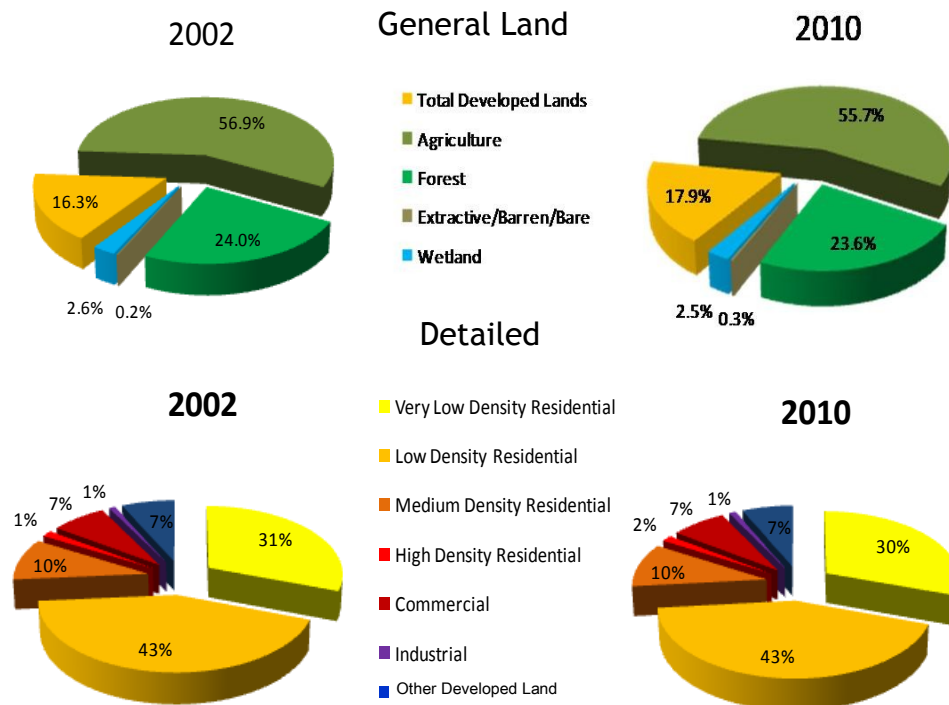
remnants of earlier commercial and industrial uses.

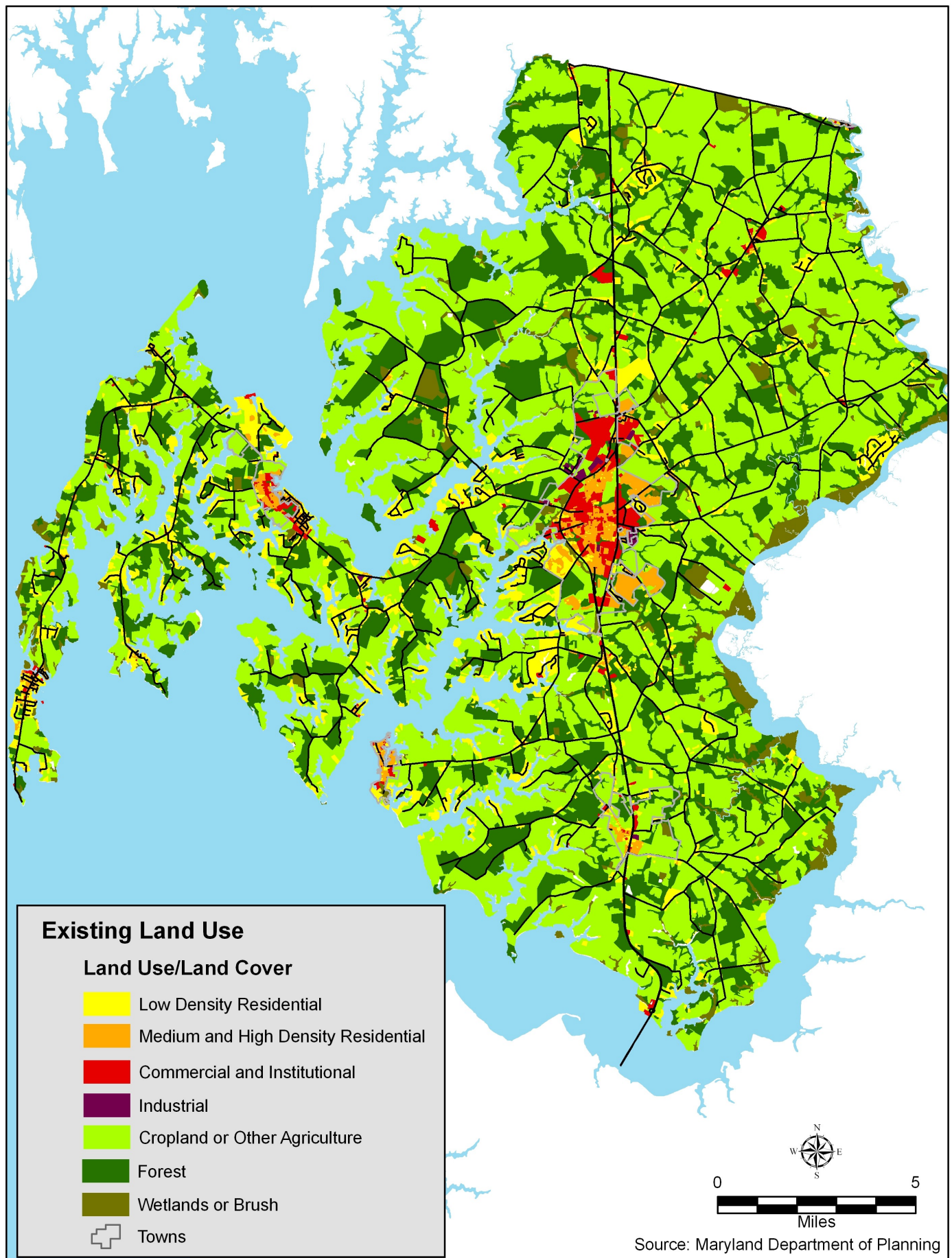
The graphs below demonstrate that land use has remained relatively stable through the past decade. The Maryland Department of Planning estimates that 30,654 acres of Talbot County's 171,657 acre land area could be classified as developed in 2010. In 2002, 27,987 acres (1.6 % less) were classified as developed.

Commercial and industrial uses accounted for about 2,541 acres of the developed area of the County as of 2010. Most of the commercial and industrial development in Talbot County is located in the incorporated towns with some development in unincorporated areas along routes US 50 and MD 33.

The vast majority of land classified as undeveloped is in agricultural use. Agriculture occupied 95,662 acres in 2010. Forests, which are also agricultural resources, covered an additional 40,510 acres. These are both slightly less than the 2002 land use totals.

Talbot County Land Use Comparisons





Land Use Changes 2002–2010				
	Land Use by Year		Land Use Change	
	2002	2010	2002-2010	
Land Use	Acres	Acres	Acres	Percent
Very Low Density Residential	8,542	9,269	727	8.5%
Low Density Residential	12,072	13,235	1,162	9.6%
Medium Density Residential	2,726	3,116	391	14.3%
High Density Residential	403	438	35	8.6%
Commercial	2,065	2,262	197	9.6%
Industrial	227	279	53	23.2%
Other Developed Lands/ Institutional/ Transportation	1,952	2,055	103	5.3%
Total Developed Lands	27,987	30,654	2,667	9.5%
Agriculture	97,739	95,662	-2,077	-2.1%
Forest	41,270	40,513	-757	-1.8%
Extractive/Barren/Bare	281	489	208	73.9%
Wetland	4,380	4,339	-41	-0.9%
Total Resource Lands	143,670	141,002	-2,667	-1.9%
Source: Maryland Department of Planning				

Summary

Talbot remains in the rank of Maryland's sparsely populated rural counties, despite development pressures brought on by regional trends and a growing cohort of individuals and small families settling in the area.

Long-standing land use policies have protected farmland and open space from development and retained the rural character of the County. Agriculture remains an important and viable industry in part because fragmentation of farm landscapes has been discouraged.

Talbot is a comparatively prosperous county. Though some poverty exists, incomes of most of the resident population are adequate to meet

their needs. Hospitality businesses, medical services, education and government are important employers. Unemployment in the County is about one point higher than the State average.

The statistics outlined in this chapter suggest some challenges that will be discussed in subsequent chapters. These range from protection of natural and historic resources, to the provision of public services and amenities, to promoting a resilient economy. The economic downturn of the last few years have impacted Talbot County less than some other areas but nevertheless have exposed some vulnerabilities that should be considered.

Selected Talbot County Statistics Maryland Statistical Handbook 2012					
Statistic	2000	2005	2010	% change	notes
Total Resident Population	33,806		37,782	11.8%	Growth rate for the State was approx. 9%.
					Talbot growth ranked 17 of 24 jurisdictions.
Public School Enrollment K-12	4,371	4,294	4,258	-2.6%	Numbers falling Statewide, except Southern Maryland
New single Family Housing Units	339	648	173		4,673 total units authorized for construction.
Number of Residential Sales	904	1,113	383		7,001 total sales, increase of 8.2% over the decade.
Median Residential Sale Price	\$190,500	\$318,720	\$302,500	58.8%	Second highest 2010 median on Shore, after QAC.
Median Household Income	*	\$51,637	\$56,806	10.0%	Highest 2010 median on Shore is QAC @ \$78,503, lowest 2010 median is Somerset @ \$38,134
Per Capita Income in current \$	*	\$50,129	\$54,701	9.1%	Rank in the bottom quarter with other ES counties.
Total Personal Income in current \$	*	\$1,825,833,000	\$2,072,002,000	13.5%	Among the lowest income growth rates in the State.
Full & Part Time Jobs in County	*	27,853	27,274	-2.1%	Lower shore counties lost higher percentages.
* Not included in Handbook Sources: Maryland Department of Planning, US Census Bureau, US Bureau of Economic Analysis, Maryland Department of Education					